

Number Portability. To the extent permitted by the FCC or the Commission, such costs shall include a Party's costs to deliver calls between the other Party's Customers via Number Portability. Until such time as the Commission establishes such methodology, the Parties shall bill each other for INP consistent with existing tariffs and Commission orders.

13.9 Permanent Number Portability. The Parties shall migrate from RCF or DID to Permanent Number Portability as soon as practically possible but no later than the date provided for by the FCC. The Parties shall provide Permanent Number Portability on a reciprocal basis to each other in accordance with rules and regulations as from time to time prescribed by the FCC and/or the Commission.

13.10 Other INP Methods.

Other methods of providing INP, to the extent technically feasible, may be provided pursuant to a Bona Fide Request.

**ARTICLE XIV
DIALING PARITY – SECTIONS 251(b)(3) and 271(e)(2)(B)**

The Parties shall provide Dialing Parity to each other as required under Section 251(b)(3) of the Act, except as may be limited by Section 271(e)(2)(B) of the Act.

**ARTICLE XV
DIRECTORY LISTINGS – SECTION 251(b)(3)**

15.1 Directory Listings. Ameritech shall cause the Publisher to include Primary Listings of AT&T's Customers ("AT&T Directory Customers") in its White Pages Directories under the following terms and conditions:

15.1.1 Publisher will publish the Primary Listing of AT&T Directory Customers located within the geographic scope of Publisher's directories at no charge.

15.1.2 Listings of such AT&T Directory Customers will be interfiled with listings of subscribers of Ameritech and other LECs serving the same geographic area where such listings are included within a directory.

15.1.3 Publisher shall provide AT&T with a copy of such listings prior to publication in such form and format as may be mutually agreed to by the Parties. Both Parties shall use their best efforts to ensure the accurate listing of such information.

15.1.4 Ameritech or its Publisher must receive all Primary Listings of AT&T Directory Customers prior to the service order close date for the directory in which those listings

are to appear. Ameritech or its Publisher will provide AT&T with appropriate service order close dates within thirty (30) days of this information becoming available.

15.1.5 Publisher may include, at no charge, Primary Listings of AT&T Directory Customers and provided to Ameritech or its Publisher in other directories published by Publisher or its Affiliate.

15.1.6 Nothing in this Agreement shall restrict Ameritech's Publisher's authority as publisher of the directories from altering the geographic scope, directory life, headings, content or format of the directories. Publisher will provide information on such alterations at the same time such information is provided to Ameritech.

15.1.7 Publisher shall include, in the customer information section of each White Pages and Yellow Pages Directory, information about AT&T services, including addresses and telephone numbers for AT&T Customer service. The form and content of such customer information shall be provided by AT&T to Ameritech or its Publisher. The charge, if any, for the listing of such information will be calculated on the same basis as the charges, if any, paid by Ameritech for similar listings.

15.2 Listing and Listing Updates. AT&T will provide AT&T Directory Customer Listings and Listing Updates to Ameritech or its Publisher on a nonexclusive basis as follows:

15.2.1 AT&T shall provide its AT&T Directory Customer Listings to Ameritech or its Publisher in a mutually agreeable form and format. AT&T acknowledges that Ameritech or its Publisher may impose a charge for changes to AT&T Directory Customer Listings previously provided by AT&T to Ameritech or its Publisher.

15.2.2 Within one (1) Business Day of installation, disconnection or other change in service (including change of nonlisted or nonpublished status) affecting the directory assistance database or the directory listing of an AT&T Directory Customer, AT&T shall provide Listing Updates to Ameritech or its Publisher in a form and format acceptable to Publisher. Listing Updates on AT&T Directory Customers are to be provided to Ameritech and Listing Updates for facilities-based Customers of AT&T shall be provided to Publisher.

15.2.3 AT&T will cooperate with Publisher to develop a cost-effective, mutually satisfactory, mechanized or electronic process for the provision of AT&T's Listing Updates to Publisher, which process shall be available for joint testing within six (6) months of the Effective Date.

15.2.4 Publisher or Ameritech may sell or license the use of Customer Listings, or Listing Updates to third persons without the prior written consent of AT&T; provided, however, that Publisher or Ameritech will not:

- (a) disclose nonlisted name and address information to any third person, except as may be necessary to undertake delivery of directories, or to perform other services contemplated under this Agreement;
- (b) disclose to any third person the identity of a Customer's or resale Customer's LEC;
- (c) sell or license such Customer listing information sorted by carrier; or
- (d) disclose listing information for individual cases where AT&T has notified Ameritech to include listing for third party publication.

15.2.5 Publisher shall provide initial and secondary delivery of appropriate White Page Directories for resale Customers of AT&T on the same basis as Publisher delivers White Pages Directories to Ameritech's retail Customers. Publisher and AT&T may enter into a separate directory services agreement which, among the services provided, would include the delivery of White Page Directories to facilities-based Customers of AT&T.

ARTICLE XVI ACCESS TO POLES, DUCTS, CONDUITS AND RIGHTS-OF-WAY – SECTIONS 251(b)(4) AND 224

16.1 Structure Availability.

16.1.1 Ameritech shall make available, to the extent it may lawfully do so, access to poles, ducts, conduits and Rights-of-way (individually and collectively, "Structure") owned or controlled by Ameritech for the placement of AT&T's telecommunications equipment and related facilities ("Attachments"). "Poles, ducts and conduits" include entrance facilities and conduit and riser space; controlled environmental vaults; manholes; telephone equipment closets; remote terminals; cross-connect cabinets, panels or boxes; equipment cabinets, pedestals, or terminals; and any other infrastructure used by Ameritech to place telecommunications distribution facilities. "Rights-of-way" are easements, licenses or any other right, whether based upon grant, reservation, contract, law or otherwise, to use property if the property is used for distribution facilities. The availability of Ameritech Structure for AT&T's Attachments is subject to and dependent upon all rights, privileges, franchises or authorities granted by governmental entities with jurisdiction, existing and future agreements with other persons not inconsistent with Section 16.19, all interests in property granted by persons or entities public or private, and Applicable Law, and all terms, conditions and limitations of any or all of the foregoing, by which Ameritech owns and controls Structure or interests therein.

16.1.2 Ameritech will not make Structure available: (1) where, after taking all reasonable steps to accommodate such request, there is Insufficient Capacity to accommodate the requested Attachment, and (2) an Attachment cannot be accommodated based upon nondiscriminatorily applied considerations of safety, reliability or engineering principles. For purposes of this Article XVI, "Insufficient Capacity" means the lack of existing available space on or in structure and the inability to create the necessary space by taking all reasonable steps to do so. Before denying a request for access based upon Insufficient Capacity, Ameritech will, in good faith, explore potential accommodations with AT&T. If Ameritech denies a request by AT&T for access to its Structure for Insufficient Capacity, safety, reliability or engineering reasons, Ameritech will provide AT&T a detailed, written reason for such denial as soon as practicable but within forty-five (45) days of the date of such request.

16.2 **Franchises, Permits and Consents.** AT&T shall be solely responsible to secure any necessary franchises, permits or consents from federal, state, county or municipal authorities and from the owners of private property, to construct and operate its Attachments at the location of the Ameritech Structure it uses. AT&T shall indemnify Ameritech against loss directly resulting from any actual lack of AT&T's lawful authority to occupy such Rights-of-way and construct its Attachments therein.

16.3 **Access and Modifications.** Where necessary to accommodate a request for access of AT&T, and provided Ameritech has not denied access as described in Section 16.1.2, or because Ameritech may not lawfully make the Structure available, Ameritech will, as set forth below, modify its Structure in order to accommodate the Attachments of AT&T. Ameritech may permit AT&T to conduct Field Survey Work and Make Ready Work itself or through its own contractors in circumstances where Ameritech is unable to complete such work in a reasonable time frame.

16.3.1 Before commencing the work necessary to provide such additional capacity, Ameritech will notify all other parties having Attachments on or in the Structure of the proposed modification to the Structure. The modification to accommodate AT&T, may at Ameritech's option, include modifications required to accommodate other attaching parties, including Ameritech, that desire to modify their Attachments.

16.3.2 If AT&T requests access to an Ameritech Right-of-way where Ameritech has no existing Structure, Ameritech shall not be required to construct new poles, conduits or ducts, or to bury cable for AT&T but will be required to make the Right-of-way available to AT&T to construct its own poles, conduits or ducts or to bury its own cable; provided, however, if Ameritech desires to extend its own Attachments, Ameritech will construct Structure to accommodate AT&T's Attachments.

16.3.3 The costs of modifying a Structure to accommodate AT&T's request, the requests of another attaching party or the needs of Ameritech shall be borne by AT&T, the other requesting party or Ameritech, respectively, except that if other parties obtain access to the Structure as a result of the modification, such parties shall share in the cost of modification proportionately with the party initiating the modification. An attaching party, including

Ameritech, with a pre-existing Attachment to the Structure to be modified to accommodate AT&T shall be deemed to directly benefit from the modification if, after receiving notification of the modification, it adds to or modifies its Attachment. If a party, including Ameritech, uses the modification to bring its Structure or Attachments into compliance with applicable safety or other requirements, it shall be considered as sharing in the modification and shall share the costs of the modification attributable to its upgrade. Notwithstanding the foregoing, an attaching party or Ameritech with a pre-existing Attachment to the Structure shall not be required to bear any of the costs of rearranging or replacing its Attachment if such rearrangement or replacement is necessitated solely as a result of an additional Attachment or the modification of an existing Attachment sought by another attaching party. If an attaching party, including Ameritech, makes an Attachment to the facility after the completion of the modification, such party shall share proportionately in the cost of the modification if such modification rendered the added attachment possible.

16.3.4 All modifications to Ameritech's Structure will be owned by Ameritech. AT&T and other parties, including Ameritech, who contributed to the cost of a modification, may recover their proportionate share of the depreciated value of such modifications from parties subsequently seeking Attachment to the modified structure. Any necessary procedures with respect to a Party's recovery of its proportionate share of the value of any modifications shall be as prescribed by the Implementation Team.

16.4 **Installation and Maintenance Responsibility.** AT&T shall, at its own expense, install and maintain its Attachments in a safe condition and in thorough repair so as not to conflict with the use of the Structure by Ameritech or by other attaching parties. Work performed by AT&T on, in or about Ameritech's Structures shall be performed by properly trained, competent workmen skilled in the trade. Ameritech will specify the location on the Structure where AT&T's Attachment shall be placed, which location shall be designated in a nondiscriminatory manner. AT&T shall construct each Attachment in conformance with the permit issued by Ameritech for such Attachment. Other than routine maintenance and service wire Attachments, AT&T shall not modify, supplement or rearrange any Attachment without first obtaining a permit therefore. AT&T shall provide Ameritech with notice before entering any Structure for construction or maintenance purposes.

16.5 **Installation and Maintenance Standards.** AT&T's Attachments shall be installed and maintained in accordance with the rules, requirements and specifications of the National Electrical Code, National Electrical Safety Code, Bellcore Construction Practices, the Commission, the Occupational Safety & Health Act and the valid and lawful rules, requirements and specifications of any other governing authority having jurisdiction over the subject matter.

16.6 **Implementation Team.** The Implementation Team to be formed pursuant to Article XVIII shall develop cooperative procedures for implementing the terms of this Article XVI and to set out such procedures in the Implementation Plan. The Parties, through the Implementation Team, shall develop mutually agreeable intervals for completion of process steps in providing AT&T access to Ameritech's Structure and appropriate penalties for failure to timely complete process steps for which fixed intervals or negotiated intervals have been

assigned. Ameritech will provide AT&T with access to information regarding the provision of access to Ameritech's Structure which will be sufficient for AT&T to verify that Ameritech is providing AT&T with access to its Structure that is comparable to that provided by Ameritech to itself, its subsidiaries, Affiliates and other persons requesting access to Ameritech's Structure.

16.7 Access Requests. Any request by AT&T for access to Ameritech's Structure shall be in writing and submitted to Ameritech's Structure Leasing Coordinator. Ameritech may prescribe a reasonable process for orderly administration of such requests. AT&T's Attachment to Ameritech's Structure shall be pursuant to a permit issued by Ameritech for each request for access.

16.8 Unused Space. Excepting maintenance ducts as provided in Section 16.9 and ducts required to be reserved for use by municipalities, all useable but unused space on Structure owned or controlled by Ameritech shall be available for the Attachments of AT&T, Ameritech or other providers of Telecommunications Services or cable television systems. AT&T may not reserve space on Ameritech Structure for its future needs. Ameritech shall not reserve space on Ameritech Structure for the future need of Ameritech nor permit any other person to reserve such space. Notwithstanding the foregoing, AT&T may provide Ameritech with a two (2)-year rolling forecast of its growth requirements for Structure that will be reviewed jointly on an annual basis.

16.9 Maintenance Ducts. One duct and one inner-duct in each conduit section shall be kept vacant as maintenance ducts. Maintenance ducts shall be made available to AT&T for maintenance purposes if it has a corresponding Attachment.

16.10 Applicability. The provisions of this Agreement shall apply to all Ameritech Structure now occupied by AT&T except for structures covered in the provisions of AT&T - Ameritech Easement or Condominium Agreements listed in Schedule 16.10.

16.11 Other Arrangements. AT&T's use of Ameritech Structure is subject to any valid, lawful and nondiscriminatory arrangements Ameritech may now or hereafter have with others pertaining to the Structure.

16.12 Cost of Certain Modifications. If Ameritech is required by a governmental entity, court or Commission to move, replace or change the location, alignment or grade of its conduits or poles, each Party shall bear its own expenses of relocating its own equipment and facilities. However, if such alteration is required solely due to Ameritech's negligence in originally installing the structure, Ameritech shall be responsible for AT&T's expenses.

16.13 Maps and Records. Ameritech will provide AT&T, at AT&T's request and expense, with access to and copies of maps, records and additional information relating to its Structure; provided that Ameritech may redact any proprietary information (of Ameritech or third parties) contained or reflected in any such maps, records or additional information before providing such information to AT&T. Upon request, Ameritech will meet with AT&T to clarify

matters relating to maps, records or additional information. Ameritech does not warrant the accuracy or completeness of information on any maps or records.

16.14 AT&T Access. AT&T shall provide Ameritech with notice before entering any Ameritech Structure.

16.15 Occupancy Permit. AT&T occupancy of Structure shall be pursuant to a permit issued by Ameritech for each requested Attachment. Any such permit shall terminate (a) if AT&T's franchise, consent or other authorization from federal, state, county or municipal entities or private property owners is terminated, (b) if AT&T has not placed and put into service its Attachments within one hundred eighty (180) days from the date Ameritech has notified AT&T that such Structure is available for AT&T's Attachments, (c) if AT&T ceases to use such Attachment for any period of one hundred eighty (180) consecutive days, (d) if AT&T fails to comply with a material term or condition of this Article XVI and does not correct such noncompliance within sixty (60) days after receipt of notice thereof from Ameritech or (e) if Ameritech ceases to have the right or authority to maintain its Structure, or any part thereof, to which AT&T has Attachments. If Ameritech ceases to have the right or authority to maintain its Structure, or any part thereof, to which AT&T has Attachments, Ameritech shall (i) provide AT&T notice within ten (10) Business Days after Ameritech has knowledge of such fact and (ii) not require AT&T to remove its Attachments from such Structure prior to Ameritech's removal of its own attachments. Ameritech will provide AT&T with at least sixty (60) days' written notice prior to (x) terminating a permit or service to an AT&T Attachment or removal thereof for a breach of the provisions of this Article XVI, (y) any increase in the rates for Attachments to Ameritech's Structure permitted by the terms of this Agreement, or (z) any modification to Ameritech's Structure to which AT&T has an Attachment, other than a modification associated with routine maintenance or as a result of an emergency. If AT&T surrenders its permit for any reason (including forfeiture under the terms of this Agreement), but fails to remove its Attachments from the Structure within one hundred eighty (180) days after the event requiring AT&T to so surrender such permit, Ameritech shall remove AT&T's Attachments at AT&T's expense.

16.16 Inspections. Ameritech may make periodic inspections of any part of the Attachments of AT&T located on Ameritech Structures. Where reasonably practicable to do so, Ameritech shall provide prior written notice to AT&T of such inspections.

16.17 Damage to Attachments. Both AT&T and Ameritech will exercise precautions to avoid damaging the Attachments of the other or to any Ameritech Structure to which AT&T obtains access hereunder. Subject to the limitations in Article XXVI, the Party damaging the Attachments of the other shall be responsible to the other therefor.

16.18 Charges. Ameritech's charges for Structure provided hereunder shall be determined in compliance with the regulations to be established by the FCC pursuant to Section 224 of the Act. Prior to the establishment of such rates, Ameritech's charges for Structure will be those of the lowest existing contract available to an attaching party in the State of Michigan,

including any Affiliate of Ameritech. A deposit shall be required for map preparation, make-ready surveys and Make-Ready Work.

16.19 Nondiscrimination. Except as otherwise permitted by Applicable Law, access to Ameritech-owned or -controlled Structure shall be provided to AT&T on a basis that is nondiscriminatory to that which Ameritech provides to itself, its Affiliates, Customers, or any other person.

16.20 Interconnection.

16.20.1 Upon request by AT&T, Ameritech will permit the interconnection of ducts or conduits owned by AT&T in Ameritech manholes.

16.20.2 Except where required herein, requests by AT&T for interconnection of AT&T's Attachments in or on Ameritech Structure with the Attachments of other attaching parties in or on Ameritech Structure will be considered on a case-by-case basis and permitted or denied based on the applicable standards set forth in this Article XVI for and reasons of insufficient Capacity, safety, reliability and engineering. Ameritech will provide a written response to AT&T's request within forty-five (45) days of Ameritech's receipt of such request.

16.20.3 AT&T shall be responsible for the costs of any Make-Ready Work required to accommodate any interconnection pursuant to Section 16.20.

16.21 Cost Imputation. Ameritech will impute costs consistent with the rules under Section 224(g) of the Act.

16.22 Structure Leasing Coordinator. Requests for access to Ameritech Structure shall be made through Ameritech's Structure Leasing Coordinator, who shall be AT&T's single point of contact for all matters relating to AT&T's access to Ameritech's Structure. The Structure Leasing Coordinator shall be responsible for processing requests for access to Ameritech's Structure, administration of the process of delivery of access to Ameritech's Structure and for all other matters relating to access to Ameritech's Structure.

16.23 State Regulation. The terms and conditions in this Article XVI shall be modified through negotiation between the Parties to comply with the regulations of the state in which Ameritech owns or controls Structure to which AT&T seeks access if such state meets the requirements of Section 224(c) of the Act for regulating rates, terms and conditions for pole attachments and so certifies to the FCC under Section 224(c) of the Act and the applicable FCC rules pertaining hereto. Until the terms and conditions of this Article XVI are renegotiated, the rules, regulations and orders of such state so certifying shall supersede any provision herein inconsistent therewith.

16.24 Abandonments, Sales or Dispositions. Ameritech shall notify AT&T of the proposed abandonment, sale, or other intended disposition of any Structure. In the event of a

sale or other disposition of the conduit system or pole, Ameritech shall condition the sale or other disposition subject to the rights granted to AT&T.

16.25 Standards of Performance. Ameritech shall provide Structure to AT&T in accordance with the service levels, procedures and intervals, if any, agreed upon by the Implementation Team as provided in Section 18.6.

ARTICLE XVII REFERRAL ANNOUNCEMENT

When a Customer changes its service provider from Ameritech to AT&T, or from AT&T to Ameritech, and does not retain its original telephone number, the Party formerly providing service to such Customer shall provide a referral announcement ("Referral Announcement") on the abandoned telephone number which provides details on the Customer's new number. Referral Announcements shall be provided reciprocally, free of charge to both the other Party and the Customer, for the period specified in Michigan Administrative Rule 484.134. However, if either Party provides Referral Announcements for a period longer than the above period when its Customers change their telephone numbers, such Party shall provide the same level of service to Customers of the other Party.

ARTICLE XVIII IMPLEMENTATION TEAM AND IMPLEMENTATION PLAN

18.1 Implementation Team. The Parties understand that the arrangements and provision of services described in this Agreement shall require technical and operational coordination between the Parties. The Parties further agree that it is not feasible for this Agreement to set forth each of the applicable and necessary procedures, guidelines, specifications and standards that will promote the Parties' provision of Telecommunications Services to their respective Customers. Accordingly, the Parties agree to form a team (the "Implementation Team") which shall develop and identify those processes, guidelines, specifications, standards and additional terms and conditions necessary for the provision of the services and the specific implementation of each Party's obligations hereunder. Within five (5) days after the Effective Date, each Party shall designate, in writing, not more than four (4) persons to be permanent members of the Implementation Team; provided that either Party may include in meetings or activities such technical specialists or other individuals as may be reasonably required to address a specific task, matter or subject. Each Party may replace its representatives on the Implementation Team by delivering written notice thereof to the other Party. The processes described in this Article XVIII and agreement reached by the Parties in the Implementation Plan shall not (i) relieve either Party of its obligations to perform any duties under this Agreement, the Act or any obligation which must be performed by January 1, 1997 as imposed by the FCC or (ii) constitute a waiver of a right of either Party to claim that the parity requirements of this Agreement and of the Act have or have not been met.

18.2 Implementation Plan. Within ninety (90) days after the Effective Date, the Implementation Team shall reach agreements on items to be included in an operations manual (the "Implementation Plan"), which shall include (i) processes, and procedures, and milestone agreements reached by the Implementation Team, (ii) documentation of the various items described in this Agreement which are to be included in the Implementation Plan, including the following matters, and (iii) any other matters agreed upon by the Implementation Team:

- (1) A Plan as provided in Section 8.1;
- (2) Access to all necessary OSS functions, including interfaces and gateways;
- (3) Procedures that specify the requisite time period(s) in which Ameritech shall give AT&T notice and the applicable information and specifications regarding any changes to interfaces of the OSS functions;
- (4) Escalation procedures for provisioning and maintenance;
- (5) Single points of contact for provisioning and maintenance;
- (6) Service ordering and provisioning procedures, including provision of the trunks and facilities;
- (7) Provisioning and maintenance support;
- (8) Conditioning of Collocation spaces and maintenance of Virtually Collocated equipment;
- (9) Procedures and processes for Directories and Directory Listings;
- (10) Service referral procedures, including procedures for handling misdirected inquiries and calls and procedures for handling out-of-service or irate Customers;
- (11) Training;
- (12) Billing, including measurements, rating and validation process;
- (13) Network planning components, including system architecture, planning SONET equipment configuration, fiber hand-off, test and acceptance of SONET ring, trunking, signaling, and augment process;
- (14) Joint systems readiness and operational readiness plans; and
- (15) Guidelines for administering access to Rights-of-way, poles and conduits of Ameritech.

Subject to the terms and conditions of this Agreement (including Section 19.5), the Implementation Plan will ensure that no later than the end of Contract Month 6, the operational interfaces will be capable of supporting all classes and complexities of orders for Network Elements and Resale Services and all Network Elements and Resale Services are available to order, at all required volume levels.

18.3 Action of Implementation Team. The Implementation Plan may be amended from time to time by the Implementation Team as the team deems appropriate. Unanimous written consent of the permanent members of the Implementation Team shall be required for any action of the Implementation Team. If the Implementation Team is unable to act, the existing provisions of the Implementation Plan shall remain in full force and effect.

18.4 Further Coordination and Performance. Except as otherwise agreed upon by the Parties, on a mutually agreed-upon day and time once a month during the Term, the Implementation Team shall discuss the performance of the Parties under this Agreement. At each such monthly meeting the Parties will discuss: (i) the administration and maintenance of the Interconnections and trunk groups provisioned under this Agreement; (ii) the Parties' provisioning of the services provided under this Agreement; (iii) the Parties' compliance with the Performance Benchmarks set forth in this Agreement and any areas in which such performance may be improved; (iv) any problems that were encountered during the preceding month or anticipated in the upcoming month; (v) the reason underlying any such problem and the effect, if any, that such problem had, has or may have on the performance of the Parties; and (vi) the specific steps taken or proposed to be taken to remedy such problem. In addition to the foregoing, the Parties through their representatives on the Implementation Team or such other appropriate representatives will meet to discuss any matters that relate to the performance of this Agreement, as may be requested from time to time by either of the Parties.

18.5 Operational Review. Representatives of AT&T and Ameritech will meet on a quarterly basis, beginning with the end of the first quarter of 1997, to determine that the service cycle of pre-ordering, ordering, provisioning, maintenance and billing categories are addressed, including the following:

- (a) Interfaces and processes are operational and the agreed-upon numbers of AT&T Customers for residential and business Resale Services are successfully completed per day;
- (b) Interfaces and processes are operational and the agreed-upon numbers of orders for Combinations are successfully completed per day;
- (c) When applicable, Interfaces and processes are operational and the agreed-upon numbers of orders for unbundled Loops are successfully completed per day;

- (d) Review of all agreed-upon performance standards; and
- (e) The accuracy rate for bills for wholesale bill validation process.

18.6 Additional Duties of Implementation Team. In addition to its responsibilities under Section 18.2, the Implementation Team shall meet in the fourth Contract Month after Ameritech first:

- (1) Provides AT&T unbundled Network Elements (or any Combination thereof) hereunder, to determine if any additional Network Element Performance Activities are required to assess Ameritech's performance under Section 9.10;
- (2) Delivers Collocated Space to AT&T hereunder, to determine if any service levels, procedures or intervals are required to assess Ameritech's provision of Collocation under Sections 12.4 and 12.12 and the applicable remedies, if any, for Ameritech's failure to perform with any of the foregoing service levels, procedures and intervals; and
- (3) Provides AT&T access to Ameritech Structure hereunder, to determine if any service levels, procedures or intervals are required to assess Ameritech's provision of Structure under Sections 16.6 and 16.19 and the applicable remedies, if any, for Ameritech's failure to perform with any of the foregoing service levels, procedures and intervals.

If the Implementation Team is unable to agree upon any of the foregoing service levels, procedures or intervals or applicable remedies (or whether any such service levels, procedures, intervals or remedies are necessary), such failure to agree shall be resolved in accordance with the procedures established in Section 28.3.

ARTICLE XIX GENERAL RESPONSIBILITIES OF THE PARTIES

19.1 Compliance with Implementation Schedule. Each of Ameritech and AT&T shall use its best efforts to comply with the Implementation Schedule.

19.2 Compliance with Applicable Law. Each Party shall comply at its own expense with all applicable federal, state, and local statutes, laws, rules, regulations, codes, final and nonappealable orders, decisions, injunctions, judgments, awards and decrees ("Applicable Laws") that relate to its obligations under this Agreement.

19.3 Necessary Approvals. Each Party shall be responsible for obtaining and keeping in effect all approvals from, and rights granted by, governmental authorities, building and property owners, other carriers, and any other persons that may be required in connection with

the performance of its obligations under this Agreement. Each Party shall reasonably cooperate with the other Party in obtaining and maintaining any required approvals and rights for which such Party is responsible.

19.4 Environmental Hazards. Each Party will be solely responsible at its own expense for the proper handling, storage, transport, treatment, disposal and use of all Hazardous Substances by such Party and its contractors and agents. "Hazardous Substances" includes those substances (i) included within the definition of hazardous substance, hazardous waste, hazardous material, toxic substance, solid waste or pollutant or contaminant under any Applicable Law and (ii) listed by any governmental agency as a hazardous substance.

19.5 Forecasting Requirements.

19.5.1 The Parties shall exchange technical descriptions and forecasts of their Interconnection and traffic requirements in sufficient detail necessary to establish the Interconnections required to assure traffic completion to and from all Customers in their respective designated service areas.

19.5.2 Thirty (30) days after the Effective Date and each month during the term of this Agreement, each Party shall provide the other Party with a rolling, six (6) calendar-month, nonbinding forecast of its traffic and volume requirements for the Interconnection, and Network Elements provided under this Agreement, in the form and in such detail as agreed by the Parties. Notwithstanding Section 20.1.1, the Parties agree that each forecast provided under this Section 19.5.2 shall be deemed "Proprietary Information" under Article XX.

19.5.3 In addition to, and not in lieu of, the nonbinding forecasts required by Section 19.5.2, a Party that is required pursuant to this Agreement to provide a forecast (the "Forecast Provider") or a Party that is entitled pursuant to this Agreement to receive a forecast (the "Forecast Recipient") with respect to traffic and volume requirements for the services and Network Elements provided under this Agreement may request that the other Party enter into negotiations to establish a forecast (a "Binding Forecast") that commits such Forecast Provider to purchase, and such Forecast Recipient to provide, a specified volume to be utilized as set forth in such Binding Forecast. The Forecast Provider and Forecast Recipient shall negotiate the terms of such Binding Forecast in good faith and shall include in such Binding Forecast provisions regarding price, quantity, liability for failure to perform under a Binding Forecast and any other terms desired by such Forecast Provider and Forecast Recipient. Notwithstanding Section 20.1.1, the Parties agree that each forecast provided under this Section 19.5.3 shall be deemed "Proprietary Information" under Article XX.

19.6 Certain Network Facilities. Each Party is individually responsible to provide facilities within its network which are necessary for routing, transporting, measuring, and billing traffic from the other Party's network and for delivering such traffic to the other Party's network using industry standard format and to terminate the traffic it receives in that standard format to the proper address on its network. Such facility shall be designed based upon the description and forecasts provided under Sections 19.5.1, 19.5.2 and, if applicable, 19.5.3. The Parties

are each solely responsible for participation in and compliance with national network plans, including The National Network Security Plan and The Emergency Preparedness Plan.

19.7 Traffic Management and Network Harm.

19.7.1 Each Party may use protective network traffic management controls, such as 7-digit and 10-digit code gaps on traffic toward the other Party's network, when required to protect the public-switched network from congestion due to facility failures, switch congestion or failure or focused overload. Each Party shall immediately notify the other Party of any protective control action planned or executed.

19.7.2 Where the capability exists, originating or terminating traffic reroutes may be implemented by either Party to temporarily relieve network congestion due to facility failures or abnormal calling patterns. Reroutes shall not be used to circumvent normal trunk servicing. Expansive controls shall be used only when mutually agreed to by the Parties.

19.7.3 The Parties shall cooperate and share pre-planning information regarding cross-network call-ins expected to generate large or focused temporary increases in call volumes, to prevent or mitigate the impact of these events on the public-switched network.

19.7.4 Neither Party shall use any product or service provided under this Agreement or any other service related thereto or used in combination therewith in any manner that interferes with any person in the use of such person's Telecommunications Service, prevents any person from using its Telecommunications Service, impairs the quality of Telecommunications Service to other carriers or to either Party's Customers, causes electrical hazards to either Party's personnel, damage to either Party's equipment or malfunction of either Party's billing equipment.

19.8 Insurance. At all times during the term of this Agreement, each Party shall keep and maintain in force at such Party's expense all insurance required by Applicable Law, general liability insurance in the amount of at least \$10,000,000 and worker's compensation insurance. Upon request from the other Party, each Party shall provide to the other Party evidence of such insurance (which may be provided through a program of self-insurance).

19.9 Labor Relations. Each Party shall be responsible for labor relations with its own employees. Each Party agrees to notify the other Party as soon as practicable whenever such Party has knowledge that a labor dispute concerning its employees is delaying or threatens to delay such Party's timely performance of its obligations under this Agreement and shall endeavor to minimize impairment of service to the other Party (by using its management personnel to perform work or by other means) in the event of a labor dispute to the extent permitted by Applicable Law.

19.10 Good Faith Performance. Each Party shall act in good faith in its performance under this Agreement and, in each case in which a Party's consent or agreement is required or requested hereunder, such Party shall not unreasonably withhold or delay such consent or agreement, as the case may be.

19.11 Responsibility to Customers. Each Party is solely responsible to its Customers for the services it provides to such Customers.

19.12 Unnecessary Facilities. No Party shall construct facilities which require another Party to build unnecessary facilities.

19.13 Cooperation. The Parties shall work cooperatively to minimize fraud associated with third-number billed calls, calling card calls, and any other services related to this Agreement.

19.14 NXX Code Administration. Each Party is responsible for administering NXX codes assigned to it.

19.15 LERG Listings. Each Party is responsible for obtaining Local Exchange Routing Guide ("LERG") listings of CLLI codes assigned to its switches.

19.16 LERG Use. Each Party shall use the LERG published by Bellcore or its successor for obtaining routing information and shall provide all required information to Bellcore for maintaining the LERG in a timely manner.

19.17 Switch Programming. Each Party shall program and update its own Central Office Switches and End Office Switches and network systems to recognize and route traffic to and from the other Party's assigned NXX codes. Except as mutually agreed or as otherwise expressly defined in this Agreement, neither Party shall impose any fees or charges on the other Party for such activities.

19.18 Transport Facilities. Each Party is responsible for obtaining transport facilities sufficient to handle traffic between its network and the other Party's network. Each Party may provide the facilities itself, order them through a third party, or order them from the other Party.

ARTICLE XX PROPRIETARY INFORMATION

20.1 Definition of Proprietary Information.

20.1.1 "Proprietary Information" means:

- (a) all proprietary or confidential information of a Party (a "Disclosing Party") including specifications, drawings, sketches, business

information, forecasts, records (including each Party's records regarding Performance Benchmarks), Customer Proprietary Network Information, Customer Usage Data, audit information, models, samples, data, system interfaces, computer programs and other software and documentation that is furnished or made available or otherwise disclosed to the other Party or any of such other Party's Affiliates (individually and collectively, a "Receiving Party") pursuant to this Agreement and, if written, is marked "Confidential" or "Proprietary" or by other similar notice or if oral or visual, is identified as "Confidential" or "Proprietary" at the time of disclosure; and

- (b) any portion of any notes, analyses, data, compilations, studies, interpretations or other documents prepared by any Receiving Party to the extent the same contain, reflect, are derived from, or are based upon, any of the information described in subsection (a) above, unless such information contained or reflected in such notes, analyses, etc. is so commingled with the Receiving Party's information that disclosure could not possibly disclose the underlying proprietary or confidential information (such portions of such notes, analyses, etc. referred to herein as "Derivative Information").

20.1.2 The Disclosing Party will use its reasonable efforts to follow its customary practices regarding the marking of tangible Proprietary Information as "confidential," "proprietary," or other similar designation. The Parties agree that the designation in writing by the Disclosing Party that information is confidential or proprietary shall create a presumption that such information is confidential or proprietary to the extent such designation is reasonable.

20.1.3 Notwithstanding the requirements of this Article XX, all information relating to the Customers of a Party, including information that would constitute Customer Proprietary Network Information of a Party pursuant to the Act and FCC rules and regulations, and Customer Usage Data, whether disclosed by one Party to the other Party or otherwise acquired by a Party in the course of the performance of this Agreement, shall be deemed "Proprietary Information."

20.2 Disclosure and Use.

20.2.1 Each Receiving Party agrees that from and after the Effective Date:

- (a) all Proprietary Information communicated, whether before, on or after the Effective Date, to it or any of its contractors, consultants or agents ("Representatives") in connection with this Agreement shall be held in confidence to the same extent as such Receiving Party holds its own confidential information; provided that such Receiving Party or Representative shall not use less than a reasonable standard of care in maintaining the confidentiality of such information;

- (b) it will not, and it will not permit any of its employees, Affiliates or Representatives to disclose such Proprietary Information to any third person;
- (c) it will disclose Proprietary Information only to those of its employees, Affiliates and Representatives who have a need for it in connection with the use or provision of services required to fulfill this Agreement; and
- (d) it will, and will cause each of its employees, Affiliates and Representatives to use such Proprietary Information only to perform its obligations under this Agreement or to use services provided by the Disclosing Party hereunder and for no other purpose, including its own marketing purposes.

20.2.2 A Receiving Party may disclose Proprietary Information of a Disclosing Party to its Representatives who need to know such information to perform their obligations under this Agreement; provided that before disclosing any Proprietary Information to any Representative, such Party shall notify such Representative of such person's obligation to comply with this Agreement. Any Receiving Party so disclosing Proprietary Information shall be responsible for any breach of this Agreement by any of its Representatives and such Receiving Party agrees, at its sole expense, to use its reasonable efforts (including court proceedings) to restrain its Representatives from any prohibited or unauthorized disclosure or use of the Proprietary Information. Each Receiving Party making such disclosure shall notify the Disclosing Party as soon as possible if it has knowledge of a breach of this Agreement in any material respect. A Disclosing Party shall not disclose Proprietary Information directly to a Representative of the Receiving Party without the prior written authorization of the Receiving Party.

20.2.3 Proprietary Information shall not be reproduced by any Receiving Party in any form except to the extent (i) necessary to comply with the provisions of Section 20.3 and (ii) reasonably necessary to perform its obligations under this Agreement. All such reproductions shall bear the same copyright and proprietary rights notices as are contained in or on the original.

20.2.4 This Section 20.2 shall not apply to any Proprietary Information which the Receiving Party can establish to have:

- (a) been disclosed by the Receiving Party with the Disclosing Party's prior written consent;
- (b) become generally available to the public other than as a result of disclosure by a Receiving Party;

- (c) been independently developed by a Receiving Party by an individual who has not had knowledge of or direct or indirect access to such Proprietary Information;
- (d) been rightfully obtained by the Receiving Party from a third person without knowledge that such third person is obligated to protect its confidentiality; provided that such Receiving Party has no reasonable basis on which to inquire as to whether or not such information was subject to a confidentiality agreement at the time such information was acquired; or
- (e) been obligated to be produced or disclosed by Applicable Law; provided that such production or disclosure shall have been made in accordance with Section 20.3.

20.3 Government Disclosure.

20.3.1 If a Receiving Party desires to disclose or provide to the Commission, the FCC or any other governmental authority any Proprietary Information of the Disclosing Party, such Receiving Party shall, prior to and as a condition of such disclosure, (i) provide the Disclosing Party with written notice and the form of such proposed disclosure as soon as possible but in any event early enough to allow the Disclosing Party to protect its interests in the Proprietary Information to be disclosed and (ii) attempt to obtain in accordance with the applicable procedures of the intended recipient of such Proprietary Information an order, appropriate protective relief or other reliable assurance that confidential treatment shall be accorded to such Proprietary Information.

20.3.2 If a Receiving Party is required by any governmental authority or by Applicable Law to disclose any Proprietary Information, then such Receiving Party shall provide the Disclosing Party with written notice of such requirement as soon as possible and prior to such disclosure. Upon receipt of written notice of the requirement to disclose Proprietary Information, the Disclosing Party, at its expense, may then either seek appropriate protective relief in advance of such requirement to prevent all or part of such disclosure or waive the Receiving Party's compliance with this Section 20.3 with respect to all or part of such requirement.

20.3.3 The Receiving Party shall use all commercially reasonable efforts to cooperate with the Disclosing Party in attempting to obtain any protective relief which such Disclosing Party chooses to seek pursuant to this Section 20.3. In the absence of such relief, if the Receiving Party is legally compelled to disclose any Proprietary Information, then the Receiving Party shall exercise all commercially reasonable efforts to preserve the confidentiality of the Proprietary Information, including cooperating with the Disclosing Party to obtain an appropriate order or other reliable assurance that confidential treatment will be accorded the Proprietary Information.

20.4 Ownership.

20.4.1 All Proprietary Information, other than Derivative Information, shall remain the property of the Disclosing Party, and all documents or other tangible media delivered to the Receiving Party that embody such Proprietary Information shall be, at the option of the Disclosing Party, either promptly returned to Disclosing Party or destroyed, except as otherwise may be required from time to time by Applicable Law (in which case the use and disclosure of such Proprietary Information will continue to be subject to this Agreement), upon the earlier of (i) the date on which the Receiving Party's need for it has expired and (ii) the expiration or termination of this Agreement (including any applicable Transition Period).

20.4.2 At the request of the Disclosing Party, any Derivative Information shall be, at the option of the Receiving Party, either promptly returned to the Disclosing Party or destroyed, except as otherwise may be required from time to time by Applicable Law (in which case the use and disclosure of such Proprietary Information will continue to be subject to this Agreement), upon the earlier of (i) the date on which the Receiving Party's need for it has expired and (ii) the expiration or termination of this Agreement (including any applicable Transition Period).

20.4.3 The Receiving Party may at any time either return to the Disclosing Party or destroy Proprietary Information.

20.4.4 If destroyed, all copies shall be destroyed and upon the written request of the Disclosing Party, the Receiving Party shall provide to the Disclosing Party written certification of such destruction. The destruction or return of Proprietary Information shall not relieve any Receiving Party of its obligation to treat such Proprietary Information in the manner required by this Agreement.

ARTICLE XXI TERM AND TERMINATION

21.1 Term. The initial term of this Agreement shall be three (3) years (the "Initial Term") which shall commence on the Effective Date. Upon expiration of the Initial Term, this Agreement shall automatically be renewed for additional one (1)-year periods (each, a "Renewal Term") unless a Party delivers to the other Party written notice of termination of this Agreement at least one hundred twenty (120) days prior to the expiration of the Initial Term or a Renewal Term.

21.2 Renegotiation of Certain Terms. Notwithstanding the foregoing, upon delivery of written notice at least one hundred twenty (120) days prior to the expiration of the Initial Term or any Renewal Term, either Party may require negotiations of the rates, prices and charges, terms, and conditions of the services to be provided under this Agreement effective upon such expiration. If the Parties are unable to satisfactorily negotiate such new rates, prices, charges and terms within ninety (90) days of such written notice, either Party may petition the

Commission or take such other action as may be necessary to establish appropriate terms. If prior to the applicable expiration date, the Parties are unable to mutually agree on such new rates, prices, charges, terms and conditions or the Commission does not issue its order, the Parties agree that the rates, terms and conditions ultimately ordered by such Commission or negotiated by the Parties shall be effective retroactive to such expiration date.

21.3 Default. When a Party believes that the other Party is in violation of a material term or condition of this Agreement ("Defaulting Party"), it shall provide written notice to such Defaulting Party of such violation prior to commencing the dispute resolution procedures set forth in Section 28.3 and it shall be resolved in accordance with the procedures established in Section 28.3.

21.4 Transitional Support.

21.4.1 In the event of the termination or expiration of this Agreement for any reason, each Party agrees to maintain the level and quality of services still being provided by it as of the date of termination or expiration of this Agreement ("Transition Date"), and to cooperate reasonably in an orderly and efficient transition to a successor provider.

21.4.2 Each Party agrees (i) to furnish services during a period for up to one (1) year (or such longer period as may be agreed by the Parties) after the Transition Date ("Transition Period") on terms and conditions and at charges that are the same as those in effect upon the Transition Date, and (ii) to enter into an agreement with the other Party for a transition plan that specifies the nature, extent, and schedule of the services to be provided during such Transition Period. During the Transition Period, Ameritech and AT&T will cooperate in good faith to effect an orderly transition of service under this Agreement. Ameritech and AT&T agree to exercise their respective reasonable efforts to avoid or minimize service disruptions or degradation in services during such transition.

21.5 Payment Upon Expiration or Termination. In the case of the expiration or termination of this Agreement for any reason, each of the Parties shall be entitled to payment for all services performed and expenses accrued or incurred prior to such expiration or termination; provided that a Party is entitled to recover such expenses under the provisions of this Agreement.

ARTICLE XXII DISCLAIMER OF REPRESENTATIONS AND WARRANTIES

EXCEPT AS EXPRESSLY PROVIDED UNDER THIS AGREEMENT, NO PARTY MAKES OR RECEIVES ANY WARRANTY, EXPRESS, IMPLIED OR STATUTORY, WITH RESPECT TO THE SERVICES, FUNCTIONS AND PRODUCTS IT PROVIDES OR IS CONTEMPLATED TO PROVIDE UNDER THIS AGREEMENT AND EACH PARTY DISCLAIMS THE IMPLIED WARRANTIES OF MERCHANTABILITY AND/OR OF FITNESS FOR A PARTICULAR PURPOSE.

ARTICLE XXIII CANCELLATION CHARGES

Except as provided in Sections 9.1.3 and 19.5.3, pursuant to a Bona Fide Request or as otherwise provided in any applicable tariff or contract referenced herein, cancellation charges shall not be imposed upon, or payable by, either Party.

ARTICLE XXIV SEVERABILITY

24.1 **Severability.** If any provision of this Agreement shall be held to be illegal, invalid or unenforceable, each Party agrees that such provision shall be enforced to the maximum extent permissible so as to effect the intent of the Parties, and the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby. If necessary to effect the intent of the Parties, the Parties shall negotiate in good faith to amend this Agreement to replace the unenforceable language with enforceable language that reflects such intent as closely as possible.

24.2 **Non-Contravention of Laws.** Nothing in this Agreement shall be construed as requiring or permitting either Party to contravene any mandatory requirement of Applicable Law.

ARTICLE XXV INDEMNIFICATION

25.1 **General Indemnity Rights.** Each Party (the "Indemnifying Party") shall defend and indemnify the other Party, its officers, directors, employees and permitted assignees (collectively, the "Indemnified Party") and hold such Indemnified Party harmless against

- (a) any Loss to a third person arising out of: the negligent acts or omissions, or willful misconduct ("Fault") by such Indemnifying Party or the Fault of its employees, agents and subcontractors; provided, however, that (1) with respect to employees or agents of the Indemnifying Party, such Fault occurs while performing within the scope of their employment, (2) with respect to subcontractors of the Indemnifying Party, such Fault occurs in the course of performing duties of the subcontractor under its subcontract with the Indemnifying Party, and (3) with respect to the Fault of employees or agents of such subcontractor, such Fault occurs while performing within the scope of their employment by the subcontractor with respect to such duties of the subcontractor under the subcontract;

- (b) any Loss arising from such Indemnifying Party's use of services offered under this Agreement, involving pending or threatened claims, actions, proceedings or suits ("Claims"), claims for libel, slander, invasion of privacy, or infringement of Intellectual Property rights arising from the Indemnifying Party's own communications or the communications of such Indemnifying Party's Customers;
- (c) any Loss arising from Claims for actual or alleged infringement of any Intellectual Property right of a third person to the extent that such Loss arises from an Indemnified Party's or an Indemnified Party's Customer's use of a service provided under this Agreement; provided, however, that an Indemnifying Party's obligation to defend and indemnify the Indemnified Party shall not apply in the case of (i) (A) any use by an Indemnified Party of a service (or element thereof) in combination with elements, services or systems supplied by the Indemnified Party or persons other than the Indemnifying Party or (B) where an Indemnified Party or its Customer modifies or directs the Indemnifying Party to modify such service and (ii) no infringement would have occurred without such combined use or modification;
- (d) any and all penalties imposed upon the Indemnifying Party's failure to comply with the Communications Assistance to Law Enforcement Act of 1994 ("CALEA") and, at the sole cost and expense of the Indemnifying Party, any amounts necessary to modify or replace any equipment, facilities or services provided to the Indemnified Party under this Agreement to ensure that such equipment, facilities and services fully comply with CALEA; and
- (e) any Loss arising from such Indemnifying Party's failure to comply with Applicable Law.

25.2 Indemnification Procedures. Whenever a Claim shall arise for indemnification under this Article XXV, the relevant Indemnified Party, as appropriate, shall promptly notify the Indemnifying Party and request the Indemnifying Party to defend the same. Failure to so notify the Indemnifying Party shall not relieve the Indemnifying Party of any liability that the Indemnifying Party might have, except to the extent that such failure prejudices the Indemnifying Party's ability to defend such Claim. The Indemnifying Party shall have the right to defend against such liability or assertion in which event the Indemnifying Party shall give written notice to the Indemnified Party of acceptance of the defense of such Claim and the identity of counsel selected by the Indemnifying Party. Until such time as Indemnifying Party provides such written notice of acceptance of the defense of such Claim, the Indemnified Party shall defend such Claim, at the expense of the Indemnifying Party, subject to any right of the Indemnifying Party, to seek reimbursement for the costs of such defense in the event that it is determined that Indemnifying Party had no obligation to indemnify the Indemnified Party for such Claim. The Indemnifying Party shall have exclusive right to control and conduct the defense and settlement

of any such Claims subject to consultation with the Indemnified Party. The Indemnifying Party shall not be liable for any settlement by the Indemnified Party unless such Indemnifying Party has approved such settlement in advance and agrees to be bound by the agreement incorporating such settlement. At any time, an Indemnified Party shall have the right to refuse a compromise or settlement and, at such refusing Party's cost, to take over such defense; provided that in such event the Indemnifying Party shall not be responsible for, nor shall it be obligated to indemnify the relevant Indemnified Party against, any cost or liability in excess of such refused compromise or settlement. With respect to any defense accepted by the Indemnifying Party, the relevant Indemnified Party shall be entitled to participate with the Indemnifying Party in such defense if the Claim requests equitable relief or other relief that could affect the rights of the Indemnified Party and also shall be entitled to employ separate counsel for such defense at such Indemnified Party's expense. If the Indemnifying Party does not accept the defense of any indemnified Claim as provided above, the relevant Indemnified Party shall have the right to employ counsel for such defense at the expense of the Indemnifying Party. Each Party agrees to cooperate and to cause its employees and agents to cooperate with the other Party in the defense of any such Claim and the relevant records of each Party shall be available to the other Party with respect to any such defense, subject to the restrictions and limitations set forth in Article XX.

ARTICLE XXVI LIMITATION OF LIABILITY

26.1 Limited Responsibility.add ohio Each Party shall be responsible only for service(s) and facility(ies) which are provided by that Party, its authorized agents, subcontractors, or others retained by such parties, and neither Party shall bear any responsibility for the services and facilities provided by the other Party, its Affiliates, agents, subcontractors, or other persons retained by such parties. No Party shall be liable for any act or omission of another Telecommunications Carrier (other than an Affiliate) providing a portion of a service.

26.2 Apportionment of Fault. In the case of any Loss arising from the negligence or willful misconduct of both Parties, each Party shall bear, and its obligation shall be limited to, that portion of the resulting expense caused by its negligence or misconduct or the negligence or misconduct of such Party's Affiliates, agents, contractors or other persons acting in concert with it.

26.3 Limitation of Damages. Except for indemnity obligations under Article XXV, each Party's liability to the other Party for any Loss relating to or arising out of any negligent act or omission in its performance of this Agreement, whether in contract, tort or otherwise, shall be limited to the total amount properly charged to the other Party by such negligent or breaching Party for the service(s) or function(s) not performed or improperly performed. Notwithstanding the foregoing, in cases involving any Claim for a Loss associated with the installation, provision, termination, maintenance, repair or restoration of an individual Network Element or Combination or a Resale Service provided for a specific Customer of the other Party, the negligent or breaching Party's liability shall be limited to the greater of: (i) the total amount properly charged to the other Party for the service or function not performed or improperly

performed and (ii) the amount such negligent or breaching Party would have been liable to its Customer if the comparable retail service was provided directly to its Customer.

26.4 Limitations in Tariffs. Each Party may, in its sole discretion, provide in its tariffs and contracts with its Customers or third parties that relate to any service, product or function provided or contemplated under this Agreement that, to the maximum extent permitted by Applicable Law, such Party shall not be liable to such Customer or third party for (i) any Loss relating to or arising out of this Agreement, whether in contract, tort or otherwise, that exceeds the amount such Party would have charged the applicable person for the service, product or function that gave rise to such Loss and (ii) any Consequential Damages (as defined in Section 26.5). To the extent a Party elects not to place in its tariffs or contracts such limitation(s) of liability, and the other Party incurs a Loss as a result thereof, such Party shall indemnify and reimburse the other Party for that portion of the Loss that would have been limited had the first Party included in its tariffs and contracts the limitation(s) of liability that such other Party included in its own tariffs at the time of such Loss.

26.5 Consequential Damages. In no event shall either Party have any liability whatsoever to the other Party for any indirect, special, consequential, incidental or punitive damages, including loss of anticipated profits or revenue or other economic loss in connection with or arising from anything said, omitted or done hereunder (collectively, "Consequential Damages"), even if the other Party has been advised of the possibility of such damages; provided that the foregoing shall not limit a Party's obligation under Section 25.1 to indemnify, defend and hold the other Party harmless against any amounts payable to a third person, including any losses, costs, fines, penalties, criminal or civil judgments or settlements, expenses (including attorneys' fees) and Consequential Damages of such third person.

26.6 Remedies. Except as expressly provided herein, no remedy set forth in this Agreement is intended to be exclusive and each and every remedy shall be cumulative and in addition to any other rights or remedies now or hereafter existing under applicable law or otherwise.

ARTICLE XXVII BILLING

27.1 Billing.

27.1.1 Each Party will bill all applicable charges, at the rates set forth herein, in the Pricing Schedule and as set forth in applicable tariffs or contracts referenced herein, for the services provided by that Party to the other Party in accordance with this Article XXVII and the Implementation Plan.

27.1.2 The Parties agree that in order to ensure the proper performance and integrity of the entire billing process, each Party will be responsible and accountable for transmitting to the other Party an accurate and current bill. Each Party agrees to implement

control mechanisms and procedures to render a bill that accurately reflects the services ordered and used by the other Party.

27.2 Recording. To the extent technically feasible, the Parties shall record all available call detail information associated with calls originated or terminated to the other Party, in accordance with the Implementation Plan and as specifically required herein.

27.3 Payment Of Charges. Subject to the terms of this Agreement, AT&T and Ameritech will pay each other within forty-five (45) calendar days from the date of an invoice (the "Bill Due Date"). If the Bill Due Date is on a day other than a Business Day, payment will be made on the next Business Day. Payments shall be made in U.S. Dollars via electronic funds transfer ("EFT") to the other Party's bank account. Within thirty (30) days of the Effective Date, the Parties shall provide each other the name and address of its bank, its account and routing number and to whom payments should be made payable. If such banking information changes, each Party shall provide the other Party at least sixty (60) days' written notice of the change and such notice shall include the new banking information. If a Party receives multiple invoices which are payable on the same date, such Party may remit one payment for the sum of all amounts payable to the other Party's bank. Each Party shall provide the other Party with a contact person for the handling of payment questions or problems.

27.4 Late Payment Charges. If either Party fails to remit payment for any charges for services by the Bill Due Date, or if a payment or any portion of a payment is received by either Party after the Bill Due Date, or if a payment or any portion of a payment is received in funds which are not immediately available to the other Party as of the Bill Due Date, then a late payment penalty shall be assessed. The portion of the payment not received by the Bill Due Date shall accrue interest as provided in Section 27.6. In no event, however, shall interest be assessed on any previously assessed late payment charges.

27.5 Adjustments.

27.5.1 A Party shall promptly reimburse or credit the other Party for any charges that should not have been billed to the other Party as provided in this Agreement. Such reimbursements shall be set forth in the appropriate section of the invoice.

27.5.2 A Party shall bill the other Party for any charges that should have been billed to the other Party as provided in this Agreement, but have not been billed to the other Party ("Underbilled Charges"); provided, however, that, except as provided in Article XXVIII, the Billing Party shall not bill for Underbilled Charges which were incurred more than one (1) year prior to the date that the Billing Party transmits a bill for any Underbilled Charges. Notwithstanding the foregoing, AT&T shall not be liable for any Underbilled Charges for which Customer Usage Data was not furnished by Ameritech to AT&T within ten (10) months of the date such usage was incurred.